

words like “billion” and “trillion” thrown with little regard to the impact these incredible numbers have on our economy, both now and in years to come.

For example, yesterday the Federal Reserve Chairman warned us that the federal budget is on an unsustainable path. In 1987, when the national debt was approaching \$1 trillion, then-President Ronald Reagan called it “out of control.” One can only imagine what he would be saying today.

Some on the other side of the aisle argued that voting against the debt extenders is about partisan politics and that borrowing another \$80 billion from China to pay for these programs is somehow just another drop in the bucket.

I have to respectfully disagree. That could not be further from the truth. When, if not now, when our Nation's debt is growing at a record pace with no end in sight, will we as elected officials start standing up and making the hard decisions we were sent here to make? Today I am saying to my colleagues: Please start to tear down the terrible prison of debt we are building for our children, our grandchildren, and our great-grandchildren. We need to start finding ways to pay for things and stop spending so much, stop treating everything as an emergency to try to get around the pay-go rules put in place before I got here.

If we continue down this path of reckless spending and borrowing, I believe—and others do throughout the country—the consequences are dire. To be blunt, the push for higher taxes and more dependence on government debt threatens American leadership in the world as well as our national and economic security. As we continue to borrow more and more from countries that are not necessarily friendly to us, it leads us down a path similar to what we are seeing with the European model as it is decaying before our very eyes.

Look at Greece right now, where unchecked government spending has threatened the financial stability of the entire European Union. We are at a point where soon our excessive level of debt will start to hinder the economic growth we so desperately need to get the economic engine moving and continue to create jobs and be competitive.

Make no mistake, I believe we should temporarily extend unemployment benefits and other measures such as the summer jobs program and address the critical issue of lack of jobs for American citizens. We can and should provide temporary relief for the neediest among us, but we need to find a way to pay for it without taxing or resorting to borrowing more money. The fact is, we could easily pay for these extensions by cutting unnecessary spending such as the nearly \$50 billion of unused, unallocated, or unobligated stimulus funds. Instead we are raising permanent taxes by more than \$50 billion extra, including taxes on entrepre-

neurial businesses and investors, the venture capitalists that hope to be the economic engine and job creators of tomorrow.

The administration and the majority party say these taxes are necessary to help to partially offset this extension, but these taxes are necessary because of our reckless spending habits. During the last 18 months, this administration and the Congress have spent more money than the previous administration spent on Iraq, Afghanistan, and the Katrina recovery combined. It was with straight faces they promised to usher in a new era of fiscal responsibility.

Last year the President and the Congress pushed through an Omnibus appropriations bill that included an 8-percent increase in discretionary spending. This was followed by the infamous, nearly trillion-dollar stimulus bill that has not created one new net job. In fact, the unemployment rate in Massachusetts alone since its passage has increased. The President signed another omnibus spending bill with a 12-percent annual increase and jammed through the trillion-dollar, government-run health care bill that was at great cost and clearly was opposed by the American people.

The problem is on both sides of the aisle. The President has said he would like to go through the Federal budget line by line and identify wasteful programs. By golly, let's do it. Let's do a top-to-bottom review of every Federal program, weed out the waste and fraud and put what is left over to help with these needed programs. In his budget, the President has identified programs to terminate and cuts that would save nearly \$25 billion next year. Let's do it. This could help pay for some of these emergency extensions.

Yet year after year, Congress continues to earmark their special pet projects within the budget without any hope for any type of termination of that practice.

In addition, we need to do a top-to-bottom review of all Federal programs, including the military, and we must get aggressive about reining in waste, fraud, and abuse and demand a clawback of some of the billions in overpayments made to Federal contractors that have been owed to us for many years. Let's use that money to help offset the amount we are trying to pay in the extenders bill. Fraud in Medicare and Medicaid costs the taxpayers more than \$60 billion annually, and the GAO has investigated numerous programs that are failing to fulfill their missions. Yet more money from Congress is given to them each year, year after year. No respectable business would be run this way, not in Massachusetts, not in New Hampshire, not anywhere.

There is no shortage of ways Washington can rein in its excessive spending habits while also funding these worthwhile programs. But it is going to require elected officials to make

hard and even sometimes unpopular choices. If we begin using common-sense steps to get our fiscal house in order, we can absolutely put our country back on a path to fiscal security, get back to fiscal sanity, and get our appetite for spending and borrowing under control. Both are crucial for the fiscal and economic stability of our country.

We can start down the path today by saying no to the extender bill that would add close to \$80 billion to our over \$13 trillion national debt right now, an amount we cannot afford and something our children, grandchildren, and great-grandchildren will be forced to pay back.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. FRANKEN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CALL TO ACTION

Mr. FRANKEN. Madam President, I rise to speak about the BP Deepwater Horizon oilspill and the need for comprehensive energy legislation.

We just defeated a resolution that was an attempt to take our country backward in our energy policy at a time when moving forward could not be more critical. We are in the midst of the worst environmental catastrophe in our Nation's history. This oilspill is a tragedy—a tragedy for our environment; our wildlife, which is dying in a coat of crude; a tragedy for the people of the gulf whose land and livelihood have been destroyed and threatened; and a tragedy for the workers on that oil rig who were killed or injured and their families.

My constituents are furious, and so am I. I have gotten over 5,000 calls and letters from Minnesotans demanding action and accountability for this disaster.

Well, let there be no question: BP, British Petroleum, will be held responsible for all costs incurred as a result of this oilspill. The company had no viable plan in place to deal with a spill of this magnitude. It is an outrage, and the taxpayers must not be left holding the bag for BP's failure.

But some losses can never be recovered. Fragile ocean and coastal ecosystems have suffered irreparable harm, with massive losses of birds and fish and damages to wetlands that provide a critical buffer against gulf hurricanes. Fishermen will have no way to support their families in these tough times. And kids will go to the beach only to find sand and water drowned by oil. Worst of all, we can never replace the 11 workers who lost their lives in this tragedy, nor can we hope to fully compensate the families of the victims

for their losses—losses that were entirely preventable.

While we do not yet know all of the technical details of why this spill occurred, one thing is clear: BP blatantly neglected to invest in safety, and the Federal Government did not do a thing to hold the company accountable.

BP knew about safety concerns on the Deepwater Horizon long before the explosion occurred in April. The New York Times reports that BP knew 11 months ago that there were potential safety problems with the well casing and the blowout preventer. The casing BP installed last summer was never proven to withstand the water pressure of deepwater drilling. Shortly before the explosion in April, the company installed a risky, cheap casing—to save money.

And then there is the blowout preventer, which is supposed to close off the well in the case of a disaster. The blowout preventer was malfunctioning and leaking fluid a month before the explosion, and BP knew this, but BP chose profits over safety.

Where was the Federal Minerals Management Service during all of this? Where was the body charged with regulating safety in the oil industry? This was a dismal failure of Federal oversight, with exemption after exemption granted to BP by an ineffective agency overridden with conflicts of interest. The ineffectiveness of MMS is inexcusable. Just earlier this week, I asked MMS for a list of all of BP's deepwater projects in the gulf—a seemingly simple task. Instead of getting me a list, MMS told my staff they did not know how many deepwater projects BP has in the gulf. This is unconscionable.

BP's poor safety record is not new. OSHA data compiled by the Center for Public Integrity shows that the company accounted for 829 of the 851 willful safety violations industry-wide at oil refineries cited by OSHA in the last 3 years. Those numbers speak for themselves.

It is not that BP could not afford to invest in safety. This recession, which has been devastating to so many families in Minnesota, in New Hampshire, and across the country, has been a lucrative time for BP. The company's first-quarter profits this year amounted to over \$6 billion—\$6 billion. That is more than double their first-quarter profits from last year. And we found out recently that BP has spent \$50 million on advertising to manage its image after the oilspill and plans to pay over \$10 billion in dividends to its shareholders this week. I would suggest they hold off on that.

So this is not a company that could not afford to invest in safety. They just chose not to. Let me repeat that. This is not a company that could not afford to invest in safety. They just chose not to. And if they had, those 11 workers would be alive today and their families would have them.

But we cannot only look back. We have to look forward. If there was ever

a moment in our history when it has become obvious we cannot drill ourselves to energy independence, it is now. We are not just talking about caring for the environment or worker safety. This spill is a call to action to secure the future of our country. It is time to kick our addiction to oil. We need to face our energy challenge head-on and enact bold, comprehensive energy and climate legislation, and we need to do it now.

We know it can be done. Minnesota is a national leader in renewable energy policies. My State produces 9.4 percent of its electricity from wind power—the second highest in the country. We are well on our way to meeting our State renewable energy standard of 25 percent renewable energy by 2025, and we have passed a law to increase our ethanol blend to 20 percent starting in 2013. Minnesota shows us what is possible as a country.

There are still Members of this body who argue that comprehensive energy and climate legislation can wait, that we can continue with business as usual. Well, that argument simply does not hold. What will it take—what will it take—beyond the biggest oilspill in our country's history to convince skeptics it is time to wean our country off of oil? How many more oilspills will it take?

Today, we face a choice. We can choose not to enact comprehensive legislation that puts a price on carbon and watch as the clean energy jobs and innovation of the 21st century go overseas to China and Japan and India and South Korea and Germany—you name it—because those countries definitely are not waiting to act. China is now the largest manufacturer of wind turbines and solar panels in the world. It is adding 100,000 new clean energy jobs every year. Those are jobs that should be here in America. Our other choice is to spur American innovation and create jobs to build a new economy based on clean energy. I can guarantee you that you are never going to see a 60-day ethanol spill threaten the livelihoods of shrimpers and oystermen and fishermen. And you are never going to see a wind turbine blow up and pollute the ocean and threaten all manner of wildlife and the coastline of America or kill 11 men. So the choice is obvious to me, and it is obvious to the rest of the world too.

Earlier this week, I was in a meeting, and I heard a story about German Chancellor Angela Merkel. When someone asked the Chancellor about encouraging U.S. companies to support a price on carbon, she said: No, I don't want to do that; I don't want to wake the sleeping economic giant that is the United States. She and the rest of the world know that if we do not put a price on greenhouse gas emissions, America stands to lose. We stand to lose our jobs to other countries, and we stand to lose the essence of what has made America great all throughout history—our ability to innovate, to

create, to solve the world's problems through new technologies that make the world a better place to live. Well, we just cannot let that happen.

It is not going to be easy to transition away from oil. But running away from challenges has never been the American way. The American way is to face our problems and to innovate ourselves out of them. That is what has made us the global economic leader.

So now is our time to lead again. If we do not act on comprehensive energy and climate legislation, even after this catastrophe in the gulf, our children and our grandchildren are going to look back on this and on us with complete bewilderment: What were they waiting for? That is what they are going to ask. What were you waiting for?

This moment and this oilspill remind me of the fable of the man stuck on the roof during a flood. Someone comes up to him with a ladder, as the waters rise, but he waves them away, saying: No, no, no, go save others. I know God will save me.

The water gets higher, and a man in a rescue boat comes along to help him.

He said: No. Fine. Fine. God will save me.

Then a helicopter comes, and the man yells up: No, no, leave me. God will save me.

Finally, the waters rise to the roof and the man drowns, and in heaven, he asks God: Why didn't you save me?

And God says: What do you mean? I sent you a ladder, a boat, and a helicopter. What else does it take?

Right now, the United States is the man on the roof, waiting, as our energy problems get worse and opportunities pass us by one by one. Well, I am not willing to let that happen. In the coming months, we in this great body are going to have to work together, make compromises, and craft a long-term energy and climate policy that serves our country for the betterment of future generations. I want to be able to look my grandchildren in the eye, I want to be able to look my great-grandchildren in the eye, too, and tell them that we did everything we could to leave this world a better place than the one we were born into. The stakes are too high not to act, and not to act now. So let's work to craft a comprehensive energy policy.

Madam President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MERKLEY). Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SWIPE FEES

Mr. DURBIN. Mr. President, 2 weeks ago, we considered the Wall Street reform bill, and the occupant of the chair was a key player in the activities of the Banking Committee that led up to the floor consideration.

I offered an amendment during the course of that debate on the Wall Street reform bill. I knew that the basic reason for Wall Street reform was twofold: holding big banks accountable for how they operate and empowering consumers to make good financial choices.

The bill Senator DODD and the committee brought to the floor was a strong one. In the process of taking up and voting on amendments, in many ways the Senate made the bill even stronger. Now a conference with the House is underway, and I look forward to seeing the best Wall Street reform bill possible signed into law by President Obama.

During the course of that debate, I offered an amendment to the bill that attracted a lot of attention—more than I anticipated. My amendment sought to give small businesses and merchants and their customers across America a real chance in the fight against the outrageously high swipe fees charged by Visa and MasterCard credit card companies.

Nearly \$50 billion in credit and debit card interchange fees are collected each year, and this interchange system is entirely unregulated.

To explain the process, if I go to my favorite restaurant in Chicago tomorrow night with my wife and receive my bill and hand over my credit card to that restaurant—and let's say the bill is for \$100—the credit card company will honor the bill, pay it to the restaurant, but then charge the restaurant as much as 3 percent of the bill for the use of my credit card, and that is known as a swipe or interchange fee.

You might say, well, doesn't the restaurant negotiate with the credit card company about whether it is 3 percent, 2 percent, or 1 percent? The answer is no. Those fees are dictated by the credit card companies. Merchants and businesses have little power in even challenging, let alone changing, the so-called interchange and swipe fees.

Other than my credit card, I could present something known as a debit card, which more and more people use every day. A debit card, instead of allowing the Visa company to pay my bill, and then I pay them, actually would deduct the money from my checking account, so the money moves directly from my bank through to the bank of the restaurant to pay the bill.

In that situation, the credit card company is not on the hook very much because the money is moved directly from the checking account to the account of the restaurant. It is not a question of whether I pay my monthly bill or whether I pay the interest on that bill; there is very little risk associated with the so-called debit card.

Yet what we are finding is that the credit card companies are charging the same fees for debit cards they are charging for credit cards. Merchants and businesses across America say there is not as much risk associated with them, so why are they charging more? That is the basic mechanism that I approached with my amendment, which was adopted on the floor with 64 Senators voting in favor.

Visa and MasterCard dominate the credit and debit card industry in America. They establish the interchange rates that all merchants—and by extension, their customers—pay to banks whenever a card is swiped or used. There is no one watching out in the process for businesses and consumers. There is no agency of government with the authority to ensure that these fees charged by the credit card companies are reasonable. Visa and MasterCard just set the fees as they see fit and tell the merchants to take it or leave it. But how easy would it be to run a restaurant or major business in America today if you didn't accept credit and debit cards?

Visa and MasterCard envision an American economy where ultimately all sales are conducted electronically across their networks, where they and the card-issuing banks receive a cut of every sale and transaction in America.

It is no surprise they want as big a cut as possible. They want to maximize their profits. Right now, they have the market power to make that happen. They can raise their fees whenever they want.

Who ends up paying the highest interchange fees charged by these credit card companies such as Visa and MasterCard? Small businesses. Many of them are literally driven out of business by these high fees they cannot control and cannot negotiate. They don't have the market power to do it. Those who stay in business have to raise the prices on customers to pay the fees.

My amendment requires debit card fees to be reasonable, and it cleans up some of the worst abuses by Visa and MasterCard.

Yesterday, we had a hearing in the Senate Judiciary Committee and present was an Under Secretary in the Department of Justice, Christine Varney. She is in charge of the antitrust section. I asked her whether the recent reports that had been published in many newspapers across America that the major credit card companies are being investigated by the antitrust division were true. She said she could not comment on the case other than to say they have verified the fact that an antitrust investigation is underway against Visa and MasterCard.

I applaud that. I understand why she could not go into detail. I applaud that investigation. These major credit card companies have become so big and powerful and coordinate their activities so much that I think such an investigation is long overdue.

My amendment requires that debit card fees be reasonable, and it cleans up some of the worst abuses. The amendment was adopted with 64 Senators voting in favor, including 17 Republicans. It was a major victory for small business and merchants and consumers across America. It will help small businesses grow and create jobs, which we definitely need in this economy, and it will put us back on sound economic footing. It will help American families, each of whom pays an estimated \$427 a year, to subsidize this \$50 billion interchange fee system for Visa and MasterCard.

I thank each of my colleagues who joined me in that vote, including the Presiding Officer.

I know my amendment has earned me the wrath of Wall Street, the wrath of the big banks, and the wrath of Visa and MasterCard. Even before the last votes were counted on my amendment, Visa and MasterCard and lobbyists for the big banks were already plotting a way to kill this amendment. Financial industry lobbyists are swarming the Halls of Congress as we speak. You can hear the stampede of the Gucci loafers around every corner. They are arguing that reducing debit card interchange fees to a reasonable level, as my amendment would require, is unacceptable. In their view, there is absolutely nothing wrong with charging unreasonably high fees in a business where there is virtually no competition.

I urge my colleagues to consider the enormous benefits of the amendment that was adopted. Our language will help every single Main Street business that accepts debit cards keep more of their money, which is a savings they can pass on to their consumers. Every grocery store, convenience store, flower shop, and every restaurant will be able to reduce the fees they paid to the big banks for debit card transactions.

This is a real boost for that industry and, believe me, they know it. They are fighting hard to convince Members of the House now that what we did in the Senate is the right thing for small business across America. It has led the Merchants Payments Coalition, this group that came together in support of my amendment—2.7 million merchants, representing 50 million American employees—to endorse this bill—the overall bill—and to work for its passage because of this amendment.

It is not just businesses that benefit from the amendment. Charities will benefit. Think about that. Charities that accept donations by debit cards will see a savings. Universities will save money on card fees, and so will public agencies, such as your local motor vehicle commission in your home State, public transit agencies, and even the U.S. Postal Service.

Also, under my amendment fewer taxpayer dollars will be spent by local, State, and Federal Government agencies for the payment of these interchange fees.